The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

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FOR VICTORY BUY UNITED STATES WAR BONDS AND STAMPS

Thru Payroll Savings

JOBS FOR ALL

Washington, D. C.—Excerpts from AFL President William Green's testimony in favor of the Full Employment Bill before the Senate Banking and Currency Committee follow:

The most deep-rooted, universally desired objective next to peace itself, which the war has brought forth, is desire for security. Workers want protection against inability to earn a living in a world that underwrites property. Loss of job is a major catastrophe to wage earners. It may mean loss of savings and investments in addition to disorganizing the life of the worker and his dependents. Unemployment leaves deep scars on mind and spirit, a cost which society as well as individuals must pay. Fear of unemployment is never completely absent from the lives of workers. The right of every person able and willing to work, to an opportunity to earn the means to sustain life itself, has become an increasingly compelling ideal as industrial production has come to more dominance in our economy, making unemployment correspondingly serious.

"Full employment" has become a worldwide ideal which peoples of many nations hope to establish and to maintain in the postwar. No one country can do it alone. The United States should lead the way. Its achievement will be the supreme test of our democratic institutions.

Planning and timely initiation of public works are essential to "full employment" but do not constitute the main driving power. "Full employment" will come mainly from placing responsibility on private industry and requiring reporting on stewardship. As the right of persons to employment becomes a moral obligation upon those in positions of responsibility, its responsibility can be pressed home.

Unemployment results from many causes. Under-investment and underconsumption are two important factors. Others, even more difficult to deal with, are unemployment due to technical progress, population changes, great social changes, like changes in transportation, communication, et cetera. We can deal with unemployment due to these causes only by studying the facts of each industry and anticipating forces making for the industrial changes affecting employment. Our dependence for assistance with unemployment due to these causes is planning for the maintenance of scientific research and effective use of new information by industries. The United States now leads the world in making effective industrial use of technical progress.

Steadily rising productivity has always characterized American industry. The genius of American management, combined with the skill and effort of American workers, has given our country leadership over the entire world in production per manhour. This rising productivity makes our high standards of living possible. American workers earn the high wages they receive.

Labor Department figures show how the steady increase in production per manhour, together with collective bargaining has made it possible to raise workers' wages while at the same time prices were reduced and consumers received better quality at lower cost. The department's figures show that over the 17 peacetime years, from 1923 to 1940, production per manhour in American factories rose 83 percent. This astonishing increase provided the income to raise the workers' average hourly earnings 22 percent during this period. At the same time unit labor costs were reduced by 34 percent. The reduction in labor costs made it possible to reduce wholesale prices of finished manufactured goods 18 percent, so that consumers benefited by lower prices, and a margin was left for profit to American business. Thus, in the period between two wars, workers' increasing productivity benefited workers, consumers, and managements. The decrease in prices was reflected by reduction in living costs generally, and workers as well as others benefited because their increased pay envelopes would buy more. Their "real" wages increased 49 percent from 1923 to 1940.

Startling new techniques of production were developed during the war. Many of these techniques will be adapted to peacetime production and used in civilian industries. Immediately after the war, industry will be retooling, replacing worn-out machinery, and incorporating new production methods. These measures will so increase productivity that experts believe the first three postwar years will bring a 30 percent increase in production per manhour in American factories.

We cannot hope for "full employment" in the United States unless we plan to direct this dynamic force of increasing productivity so that it will create higher consuming power, higher living standards, and increasing markets for our industries.

Because of increasing producitvity and increasing population America's industries will have to furnish about one million new jobs every year to provide "full employment." We will have to shorten the workweek to create some of these new jobs. Every year we will have to increase wages so that workers will have enough income to purchase their proportionate share of the increasing goods and services they produce. Increasing workers' income will mean an expanding market for American business, an opportunity for new industries to bring new products and services to the American people.

Action on this bill would constitute the initial responsibility of Congress, to be supplemented by other legislation needed to provide a national economic environment favorable to "full employment."

There must be guarantees to agriculture to enable the farmers to produce needed amounts of food and to maintain rising levels of living in agricultural communities.

Congress should act to expedite disposition of war surplus goods in ways to promote "full employment."

Congress should guarantee a high level of scientific research in the interests of national progress and security.

Congress should raise the minimum rate in the Fair Labor Standards Act.

Congress should institute a national housing program, assuring high and sustained levels of public and private construction so that all citizens may be well housed, with opportunities for home ownership.

Congress should enact legislation to provide for the stimulation of planning and construction of community facilities such as hospitals, health centers, schools, roads, airports and other improvements.

Congress should promptly enact emergency unemployment compensation legislation requested by the President as necessary to protect workers and maintain national buying power.

Congress should maintain the United States Employment Service at the federal level to provide for efficient service to workers and industries for the maintenance of "full employment."

Congress should enact legislation providing federal aid for all schools to equalize educational opportunities and services for citizens in all localities and to make such appropriations effective by aid for all children needing it.

Congress should provide a program for the development, conservation and use of our national resources.

Congress should develop and maintain fiscal and tax policies conducive to "full employment."

In our efforts to establish and maintain "full employment" in this country, we must be aware of the relations of our problems to the same problems in other countries, knowing that the principles of progress at home apply universally. We can have security at home by helping other countries to have security and progress.

SAY, LISTEN!

For the rest of this year, the AFL presents each Saturday evening at 6:45 P.M., EWT, over the nation-wide network of the American Broadcasting Company a radio news-magazine, featuring the latest news at home and abroad and special reports by expert commentators on important labor problems. This program is listed in the radio columns of your newspaper as "Labor-U.S.A." Our own subtitle for the program is "The American Federationist of the Air." Don't miss these bright, newsy broadcasts! Listen every Saturday night!

CHURCHES BACK LABOR IN LABOR DAY SERMONS

Washington, D. C.—Churches throughout the nation held special Labor Sunday services this year upholding the right of the workers to the opportunity for gainful employment and a better life in the future.

Typical of the pre-Labor Day religious observances, was the message of the Federal Council of the Churches of Christ in America which was read in many houses of worship.

Holding that the pattern of the future will depend very largely on the policies and the strength of the organized workers, the statement called for a guaranteed annual wage for all workers; an adequate and secure standard of living for all, based on full employment, a high level of production, good housing and adequate social insurance; elimination of discrimination in employment because of sex, race, creed or color; extension of workers education; and effective relocation of war workers in a peacetime economy.

Congress Returns From Its Vacation To Take Action On "Must" Measures

Washington, D. C.—Congress came back from its summer vacation to deal with a "must" legislative program urged by President Truman and the American Federation of Labor.

Pressure for action to mitigate the hardships of transitional unemployment and to speed the nation on the road to postwar recovery was expected to overcome the disposition of reactionary lawmakers to do nothing and "let nature take its course."

Congressional committees started work on the first two legislative items on the "must" list a week ahead of time in order to expedite action. These two measures are the Kilgore Unemployment Compensation Bill and the Murray-Wagner Full Employment Bill.

AFL President William Green warmly endorsed both measures in testimony at public hearings and his views were endorsed by a long list of government officials and national leaders who were also called to the witness stand.

Mr. Green suggested one amendment to the Full Employment Bill which would require the President, instead of permitting him, to consult with labor and industry groups regularly to promote industrial recovery.

Testifying before the Senate Finance Committee on the Kilgore bill, Mr. Green said:

"It is the opinion of the AFL that much more than is contemplated in this bill could and should be done, but we are in favor of its early passage because it represents the first concrete proposal which measures up to the request made by President Truman in his message of May 28 in which he so clearly outlined the need for action in this field."

The Kilgore bill would widen the coverage of unemployment compensation to include government and maritime workers and supplement inadequate state allowances to provide as much as $25 a week for 26 weeks to the unemployed.

Reconversion Now Moving Rapidly, Krug Says In Optimistic Report

Washington, D. C.—Reconversion is proceeding much more rapidly than expected, WPB Chairman J. A. Krug announced.

On the basis of a survey of 42 major industries, he estimated that manufacturing production will be 12 percent higher in dollar volume by the end of this year than in the prewar period between 1939 and 1941.

He also made the optimistic prediction that employment by December will be 94 percent of peacetime normal.

By next June, Mr. Krug declared at a press conference, the production rate will be 187 percent of normal and employment 133 percent. Of course, in the so-called "normal" years before America's entry in the war, there were still several million unemployed.

"Reconversion is going along better than we had expected," Mr. Krug said. "I have considerable confidence that these figures are accurate forecasts."

Mr. Krug admitted that the next three or four months will be a time of "economic concern" as millions leave war jobs and the armed services. Considerable numbers were unemployed in the prewar years, he noted, and now the job is to provide work for a greatly enlarged labor force.

Manufacturers, he pointed out, were meeting no greater difficulties than were to be expected during the transition period and they "already are surmounting such difficulties with typical American ingenuity."

Mr. Krug gave these production figures as of July this year, followed in each case by estimated production next June:

Bicycles, 45,000 and 272,000; domestic mechanical refrigerators, none and 474,000; sewing machines, none and 55,000; vacuum cleaners, 14,000 and 272,000; electric fans, 46,000 and 335,000; watches, 138,000 and 2,272,000; photographic equipment (dollar volume), $1,066,000 and $5,833,000; wood furniture, $58,000 and $90,000; farm machinery, $54,193,000 and $94,444,000.

Mr. Krug said the 42 industries covered in the report were those with major reconversion problems.

"The industries reporting are going ahead with ambitious production and expansion plans," Mr. Krug commented.

All AFL Officers To Serve Until Next Convention

Washington, D. C.—All affiliated unions were notified by President William Green that because no AFL convention can be held this year the Executive Council had ruled that the federation's officers will continue to carry on their duties until the 1946 convention. He transmitted these decisions by the Executive Council:

1. That the convention scheduled for October 1, 1945, in the city of Chicago shall be called off because of the decision of the Office of Defense Transportation refusing permission for the holding of this convention.
2. That the next regular convention of the American Federation of Labor shall be held in the city of Chicago beginning Monday, October 7, 1946.
3. That the present officers of the American Federation of Labor shall continue to carry on their duties under the constitution of the American Federation of Labor in the same manner and under the same circumstances which would have existed if a convention had been held in 1945 and these officers had been reelected for the calendar year 1946.
4. That all the business of the American Federation of Labor shall be carried on pursuant to the constitution under the direction of the Executive Council until the 1946 convention is held.
5. That the President shall, in accordance with the intent of Section 5, Article II of the constitution, appoint 3 persons who are members of three different national or international unions (on recommendation of the presidents of such national or international unions concerned) to audit the books of the American Federation of Labor for the fiscal year ending August 31, 1945.

Labor Day Greetings

Washington, D. C.—Leaders in the nation's life extended greetings to American workers on Labor Day and emphasized the serious tasks ahead.

Excerpts culled from the flood of Labor Day statements follow:

Secretary of Labor Schwellenbach—The wage earners of America, the greatest single economic group in our country, stand today on the threshold of a tomorrow which they can and will fashion. Behind them lies generations of toil and struggle, and a few decades of triumphant gains. The days of the past often have been lonely days when labor marched forward in its fight for economic freedom often in the face of a seemingly hostile universe. The day of loneliness has passed. The rights of labor have been established so firmly that no man will question them successfully. With the establishment of rights, labor must be ready to express in greater and great measure its responsibility to the common good which grants those rights.

National Commander Scheiberling, of the American Legion—The American Legion is ready to cooperate with labor and every other agency or organization to assure achievement of the "jobs for all" objective. Let's build a real all-American team which can and will report "mission accomplished!" in this vital reconversion period. Labor Day is the day to dedicate ourselves to such a task.

AFL Vice President Matthew Woll—In Europe and Asia a vast job of relief and reconstruction lies ahead. Whole populations are ragged, hungry, discouraged. The coming winter will be cruel for victims of the war. Our costly victory must be safeguarded through substantial aid to these unfortunate ones. The American Federation of Labor wants to do its share in rebuilding the broken lives of these people. We can do this by contributing generously to the coming campaign of the National War Fund and the Community War Chests through the program of the Labor League for Human Rights.

Chairman Basil O'Conner, of the Red Cross—In the days of war, at last ended, all branches of labor have supported the American Red Cross. Blood, money, time, energy and skill have been forthcoming in response to repeated appeals. Today, on labor's national holiday, so well earned, we look forward to an era of continued cooperation.

Secretary of the Treasury Vinson—I am glad to take the occasion of Labor Day to record once more the Treasury Department's sincere appreciation of the magnificent support given to its war bond program by the wage earners of the United States. We are confident that the American nation can handle the reconversion of industry to peacetime uses as quickly and efficiently as it met the challenge of war unexpectedly thrust upon us at Pearl Harbor. We are equally confident that American workers, as far as they are able, will maintain their payroll savings until our armed forces no longer need their financial help in the vast job of enforcing peace.

Green Sees Better Times If America Acts Swiftly

Calls For 50 Percent Rise In Living Standards As New Era Goal

Camden, N. J.—Foreseeing better days ahead for America, AFL President William Green proclaimed labor's determination to achieve a 50 percent increase in the nation's living standards through a specific five-point program.

In a challenging Labor Day address, broadcast to every part of the land from memorial services here at the grave of Peter J. McGuire, father of Labor Day, Mr. Green urged these steps to a new high level of national prosperity:

1—Rush reconversion so that a plentiful supply of jobs can be created in expanded private industry.

2—Increase wage rates to fortify labor's purchasing power, because "there is no better market for American industry than the full pay envelope of American workers."

3—Seek a national labor-industry accord at the conference to be called soon by President Truman.

4—Reduce the work week to spread employment as soon as conditions settle down.

5—Enact the AFL's "must" legislative program which has been endorsed by President Truman.

Mr. Green castigated the "prophets of gloom" who see nothing but "discouragement and failure ahead."

"The American Federation of Labor does not share these pessimistic views," he declared. "We do not believe in crying 'Fire!' in a crowded theater. We do not intend to stampede the nation into panic. When danger threatens it is not the time to quit. It is the time to rally and work and fight for what we want and believe in. Just as we won the war, we will win the peace. Let that be our challenge to the future!"

Mr. Green insisted that the AFL's legislative program will protect the free enterprise system from its own shortcomings. He denounced reactionary members of Congress who profess to be concerned about the free enterprise system but "don't wish to lift a finger to save it."

At the same time, he called upon American businessmen to measure up to their own responsibility by being truly enterprising, "by looking forward, instead of backward."

"A return to the good old days," he emphasized, "will not satisfy the American people. We want better days and we are going to get them.

"America has the resources, the know-how and the productive capacity to raise living standards progressively higher. Production problems have been solved. What we must do next is to master the problem of distribution. Labor points the way. By sustaining full employment at high wages, private industry can put enough purchasing power into the hands of the American people to buy the necessities and comforts of life which they need and which industry can produce. That is the only sure way private industry can save itself and the free enterprise system.

"After winning a terrible war to safeguard the American way of life from external enemies, we do not believe the American people are in any mood to lose it by default to such internal enemies as hunger, unemployment and insecurity, which always provide fertile soil for revolution."

After praising labor's contributions to victory, Mr. Green extended a welcoming hand to returning servicemen. The AFL will do everything in its power, he said, "to help them obtain good jobs and make a new start in life." He concluded:

"The American Federation of Labor has emerged from the vicissitudes of war stronger in organization and in spirit than ever before in history. We do not intend to relinquish a single one of the gains we have won for the nation's workers. On the contrary, we are determined to press ever forward, to complete the task of organizing the unorganized and to weld the forces of American labor into a single, united whole."

Highlights of Address

Camden, N. J.—Highlights of AFL President William Green's Labor Day Address, which was broadcast from here over a nation-wide NBC network, follow:

The triumphs of industry which we have glorified in the past will fade into insignificance if we but capture the opportunities for peaceful expansion and development which now present themselves. We stand at the threshold of a new industrial revolution, perhaps more sweeping in its effects than the advent of the machine age and electric power. Even in our own day and with existing facilities, we can and we must raise American standards of living by at least 50 percent. Let us proclaim our determination on this Labor Day to achieve that immediate goal.

I know there are prophets of gloom who see nothing but discouragement and failure ahead. They point to the undeniable fact that America was not prepared for peace, that reconversion is proceeding too slowly, that unemployment may reach the alarming total of seven or eight million by next spring and that Congress has not taken any steps to provide for human needs during the transition period from war to peace. On the basis of these adverse conditions, they foresee a major postwar depression.

The American Federation of Labor does not share these pessimistic views. We do not believe in crying "Fire!" in a crowded theater. We do not intend to stampede the nation into panic.

On the contrary, we have faith in America and the American people. When danger threatens, it is not the time to quit. It is the time to rally and work and fight for what we want and believe in. Just as we won the war, we will win the peace. Let that be our challenge to the future! Let us remember the inspired words of Franklin D. Roosevelt back in 1932—"we have nothing to fear but fear itself." American labor will not be overcome by fear now!

The seven million members of the American Federation of Labor, a confident, resolute and closely-knit army of workers, have set their faces forward and are marching ahead in solid phalanx for the achievement of labor's own program which will lift the nation out of its present, temporary difficulties and establish a progressive and prosperous postwar economy in America.

First of all, we call upon private industry in America to speed up the reconversion process and we urge the government to give reconversion the highest priority. If that is done, as it must be done, transitional unemployment will be held to a minimum and will be of brief duration. The tremendous backlog of unfilled orders for the things the American people need and were unable to obtain during wartime should soon bring about wide expansion of peacetime production and provide a plentiful supply of jobs.

At the same time, in order to keep production going at high levels and to provide a market for consumption to match it, the unions affiliated with the American Federation of Labor intend to seek immediate increases in wage rates. Such action is necessary to fortify the purchasing power of the American people, which was weakened by increased living costs, by the wartime wage freeze and by postwar losses of overtime pay and incentive bonuses. There is no better market for American industry than the full pay envelope of the great masses of American workers.

Third, in order to restore collective bargaining and establish peaceful and stable labor-management relations, the American Federation of Labor intends to seek a national accord with industry at a conference to be called by President Truman in the next few weeks.

Fourth, as soon as conditions settle down and we are able to take stock of the nation's long-range needs, the American Federation of Labor is determined to resume its drive for the shorter work week, which will spread available employment and give the nation's workers and their families the opportunities for healthful recreation and education which our modern civilization affords.

Fifth, the American Federation of Labor will exert all its influence when Congress returns from its vacation tomorrow, for the enactment of a "must" legislative program which we drafted and for which we have received the hearty endorsement of President Truman and all forward-looking national leaders.

(At this point Mr. Green described in detail the AFL's "must" legislative program, including the Kilgore unemployment compensation bill, the Full Employment Bill, the Postwar Housing Bill, legislation to lift minimum wage standards and the Wagner-Murray-Dingell Social Security Amendments. He then continued:)

It is only to be expected that Congress may balk at some of the measures in this program. We still have too many elected representatives in our lawmaking body who believe this is the best of all possible worlds and nothing should be done to change it. They profess to be concerned about the preservation of the free enterprise system but don't wish to lift a finger to save it. The American Federation of Labor is wedded to the free enterprise system too, for labor as well as for industry, but we regard it as a dynamic way of life, not as a static road block in the path of human progress. The American Federation of Labor's legislative program would not endanger free enterprise but would protect it from its own shortcomings.

We hope that private industry will face the facts as realistically as labor does. We hope that American businessmen will measure up to their own responsibility for preserving the free enterprise system by being truly enterprising, by looking forward instead of backward. A return to the "good old days" will not satisfy the American people. *We want better days.* America has the resources, the know-how and the productive capacity to raise living standards progressively higher. Production problems have been solved. What we must do next is to master the problem of distribution. Labor points the way. By sustaining full employment at high wages, private industry can put enough purchasing power into the hands of the American people to buy the necessities and comforts of life which they need and which industry can produce. That is the only sure way private industry can save itself and the free enterprise system.

After winning a terrible war to safeguard the American way of life from external enemies, we do not believe the American people are in any mood to lose it by default to such internal enemies as hunger, unemployment and insecurity, which always provide fertile soil for revolution.

We suggest that Congress take notice of what is happening in the wake of war in Europe and in Asia. Perhaps those developments will awaken the stand-patters to a realization that the American government must be a government with a conscience and with a responsibility for the well being of its citizens. Also, we hope that the prospect of going before the American people next year for reelection will spur Congress into favorable action now on the program advanced by the American Federation of Labor.

Now that the war has ended, the American Federation of Labor is determined that atomic bombs must never be used again for the wholesale slaughter of human beings. The impact of those bombs was heard around the world and struck terror into the hearts of human beings everywhere. All thinking people now realize that mankind faces the alternative of total peace or total destruction. If ever a dictator should rise to power again and threaten to engulf the world anew in aggression and war, it is unthinkable that his people would not strike him down rather than face certain annihilation.

Let it be our supreme purpose, then, to cement the bonds of the United Nations Organization and to carry out to the fullest extent the peaceful procedure for settlement of international disputes contained in the San Francisco Charter.

And let us make the most of peace by cultivating its rich opportunities and enjoying its fruits. We have the resources and the skill and the facilities with which to build a standard of living in our land far surpassing any that ever existed on earth.

Cabinet Members Lecture Labor

Washington, D. C.—Three Cabinet members adjured organized labor to live up to its responsibilities in Labor Day speeches which for the most part were devoted to praising the war effort of the nation's workers.

Secretary of Labor Schwellenbach warned that labor must do its part toward establishing industrial peace. He declared that chaotic industrial relations in the postwar period would jeopardize full employment and expansion of production. If labor and industry cannot solve their problems, he said, the government would have to step in and exercise restrictive controls.

Secretary of the Interior Ickes emphasized that responsibility for strikes is not a one-way street and that industry has responsibilities to keep workers employed. At the same time, he called on unions to clean house and get rid of "drones and grafters."

Secretary of the Treasury Vinson urged labor to help solve the problems of reconversion and peace by cooperative action with other national groups.

MEANY AND DOHERTY EMBARK FOR BRITAIN

New York City.—AFL Secretary-Treasurer George Meany and Vice President William C. Doherty sailed from here for Great Britain to attend the 77th assembly of the British Trades Union Congress which opens at Blackpool, England, Sept. 10.

Mr. Meany is expected to explain the AFL's policies in regard to international labor relations in his address to the convention, while Mr. Doherty will report on economic and social conditions in postwar America.